

LESSON PLAN

Unit 28. LIVING ASHORE

X-XXX-XXX2 Rev B

Topic 28.1 Living Ashore

CLASS PERIODS: 1

LAB PERIODS: 0

Enabling Objectives:

- 7.1 **IDENTIFY** how much to spend for Renting Residential Property based on income and other expenses which will assist Sailors in their personal financial responsibility in accordance with Personal Financial Management, OPNAVINST 1740.5
- 7.2 **IDENTIFY** the basic parts of a Standard Lease to include the "Military Clause" in accordance with Wise Rental Practices
- 7.3 **IDENTIFY** your Rights and Responsibilities of a Lease Agreement in accordance with Wise Rental Practices
- 7.4 **IDENTIFY** Utility Deposits required for a Renting Residential Property in accordance with Wise Rental Practices
- 7.5 **IDENTIFY** Miscellaneous Issues involved with a Renting Residential Property in accordance with Wise Rental Practices

Trainee Preparation Materials:

A. Trainee Support Materials:

- 1. None

B. Reference Publications:

- 1. None

Instructor Preparation:

A. Review Assigned Trainee Material

B. Reference Publications:

- 1. None

C. Training Materials Required:

- 1. Training Materials
 - a. Information Sheet, Military Clause, 28-1-1
- 2. Transparencies
 - a. Apartment Features, 28-1-7
 - b. Check For Damage, 28-1-9
 - c. Lease Agreement, 28-1-4
 - d. Living Ashore, 28-1-1

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- e. Rental Limit Example, 28-1-2
- f. Renter's Insurance, 28-1-8
- g. Review Lease Agreement, 28-1-3
- h. Rights and Responsibilities, 28-1-5
- i. Summary, 28-1-10
- j. Utilities, 28-1-6

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DISCUSSION POINT

1. Introduction

RELATED INSTRUCTOR ACTIVITY

1. Establish Contact.

Write name on VAP board.

NOTE: This lesson is an optional lesson. It should be provided to married and single Sailors who will be authorized to live off base prior to the move off base.

Introduce Yourself.

For many married Sailors this will be the first time that you have had to find a place to live out in town, for some single Sailors you will be required to live out in town due to a lack of BEQ facilities. A problem seen frequently during financial counseling is a lack of understanding of renting an apartment, townhouse, or even a small house. This lesson is designed to help you better understand rental practices and will further emphasize personal financial responsibility by providing basic information on the process of renting residential property.

State Lesson Objectives.

Show Transparency 28-1-1, Living Ashore.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

2. Living Ashore

a. How Much To Spend for Renting Residential Property

- (1) Renting, including utilities, should not exceed 30% of your net income each month.
- (2) Your monthly budget towards rent should include the cost of utilities such as electric bill, water, sanitation, or natural gas, as well as cable TV and telephone expense when calculating what you can afford.
- (3) Prices vary by your duty station and type and size of rental you are looking for.
- (4) Renter's insurance should also be considered a part of the total housing expense. This will be discussed in more detail later in this lesson.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

(5) Your actual rental limit equals:

(a) Your Basic Allowance for Housing (BAH) plus a maximum "out-of-pocket" amount equal to 1/2, of your BAH (e.g., \$250 monthly BAH + \$125, which is 1/2 of the monthly BAH = \$375, your monthly recommended rental expenses).

(b) If you should exceed these recommended amounts, you're probably dipping too deeply into your pay and lowering your quality of life. You will be spending too much on rental expenses and will not have enough left over for other necessities including "fun".

(a) Show Transparency 28-1-2, Rental Limit Example.

3. Standard Lease Agreement

a. If you are offered a lease which you do not fully understand, ask you Navy Legal Assistance Office or your Housing Referral Office to review it with you before you sign it.

a. Show Transparency 28-1-3, Review Lease Agreement.

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DISCUSSION POINT

- b. Most leases are for a 12-month period; however, you may be able to negotiate a shorter term for a period of not less than 6-months.
- c. The lease is a legal contract. It should accurately describe:
 - (1) The unit you want to lease
 - (2) The amount of the rent
 - (3) When the lease begins and ends
 - (4) Who pays utilities
 - (5) The landlord's rules and regulations

RELATED INSTRUCTOR ACTIVITY

- c. Show Transparency 28-1-4, Lease Agreement.

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RELATED INSTRUCTOR ACTIVITY

- (6) The rights and responsibilities of both the landlord and the tenant

 - d. The lease contains the entire agreement and should be in plain English.

 - e. Be sure to ask questions to clear up any issues which you do not understand.

 - f. It is necessary to include all the conditions you want in the lease to avoid any misunderstandings which may be costly to you. Verbal agreements are almost impossible to enforce. A written lease is the best protection because it prevents any change in the rental conditions for the term of the lease.

 - g. Military clause
- g. Distribute Information Sheet, Military Clause, 28-1-1.

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DISCUSSION POINT

- (1) This clause permits you to end the lease not more than 60 days prior to your reporting date at your next duty station. You must submit a written notice and a copy of your official orders to your landlord at least 30 days before the next rent payment due date. You must be transferred at least 35 to 50 miles from your current duty station. It does not cover moving into Navy housing or deployment.

RELATED INSTRUCTOR ACTIVITY

4. Your Rights and Responsibilities

- a. You will usually have to pay a security deposit equal to one month's rent before you move in. This deposit is not rent and cannot be applied to rent. It is intended to cover the cost of any repairs or damages for which you may be responsible when you move out. If you leave your rental unit clean and in good condition so that no repairs are necessary, your deposit should be returned within 30 days after moving out.
- b. Pay rent on time

4. Show Transparency 28-1-5, Rights and Responsibilities.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

- c. Keep dwelling clean
- d. Follow community policies
- e. Report major damage promptly
- f. Pay for minor repairs
- g. Use fixtures and plumbing carefully
- h. Provide proper notice of intent to move
- i. You have the right to tour the rental unit with the landlord within 72 hours after vacating to check for damages.

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RELATED INSTRUCTOR ACTIVITY

- (1) If deductions are made from the security deposit for damages, you should receive an itemized list of charges.

- j. A dwelling must be left clean and free of all items belonging to the tenant. Any cleaning costs which are made necessary by the condition in which the dwelling is left may be deducted from your security deposit as well as any unpaid rent (including late fees).

5. Utilities

5. Show Transparency 28-1-6, Utilities.

- a. The way utilities (electricity and/or gas, water, trash pickup, sewage, and sometimes cable TV as well as telephone) are assessed and paid may vary from the regions in which you are assigned.
- b. In some areas, utilities are included in the overall rent
- c. In some areas, utilities are assessed separately

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

- (1) Most areas which assess utilities separately require a deposit fee. These fees are usually returned at the end of your lease agreement or can be applied to your final bill.

- d. Utility charges may be based on actual meter readings or on the square footage of the rented area.

6. Miscellaneous Issues

- a. The Right Location
- b. Even the most attractive apartment complex may not be worth a long, daily commute
- c. Ask residents if the neighborhood is safe
- d. Consider the area's closeness to expressways, grocery stores, shopping malls, churches

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DISCUSSION POINT

- e. Find out if public transportation is accessible if you need to rely on it
- f. Find out if there are recreations facilities available such as a swimming pool, workout area, laundry room and if so, are they well maintained, clean, and safe
- g. Apartment features
 - (1) Balcony
 - (2) Fireplace
 - (3) Desirable view
 - (4) Major appliance such as a refrigerator, stove, washer/dryer, or even a microwave oven

RELATED INSTRUCTOR ACTIVITY

- g. Show Transparency 28-1-7, Apartment Features.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

- (5) Offers curtains and carpets
- (6) Lack of noise
- (7) Convenience to laundry room, pool, etc
- (8) Security
 - (a) Locks provided as well as deadbolts
 - (b) Security guards
- h. Renter's Insurance

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DISCUSSION POINT

- (1) One of the most overlooked issues in renting an apartment is one of the most important ones. If you do not get renter's insurance - most policies cost under \$200 per year - you could wind up losing all the valuables in your apartment. The landlord does not insure the contents of your apartment. The landlord only insures the structure.
- (2) Maintain adequate renter's insurance coverage.
- (3) Maintain replacement cost coverage on your personal possessions.
- (4) Take a personal inventory of your household possessions and keep the inventories up-to-date.
- (5) Look for the best rates. Comparison shop for insurance. Some companies offer best rates if you insure your car with them.

RELATED INSTRUCTOR ACTIVITY

- (1) Show Transparency 28-1-8, Renter's Insurance.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

i. Damage

- (1) It is critically important to document all existing damage immediately upon moving into a rental unit. If you don't, you may be charged for damages you did not do when you move out.
- (2) Check all appliances to be certain that they work correctly.
- (3) Check all bathroom facilities (sinks, toilets, showers). Does the hot water work?
- (4) Ask other tenants in the building if there have been any problems with bugs or rodents as well as any break-ins into any apartments.

- (1) Show Transparency 28-1-9, Check For Damage.

j. Successful Renting

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DISCUSSION POINT

- (1) For military members, the Housing Referral Office is your required first stop for information. The Housing Referral Office maintains lists of rental apartments. Consulting with them will ensure that you don't select a landlord who does not comply with Department of Defense policies on fair housing. If there is a key to enjoying a successful rental experience, it is simply to focus on the basics. A careful reading of the lease will help ensure that there are no unpleasant surprises lurking ahead. Your careful inspection of the rental property will do the same.
- (2) By taking these simple steps - and by taking your time - you do everything possible to ensure that your rental experience will be, not just satisfactory, but a real pleasure.

7. Summary

- a. Standard Lease Agreement

RELATED INSTRUCTOR ACTIVITY

7. Show Transparency 28-1-10, Summary.

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RELATED INSTRUCTOR ACTIVITY

b. Your Rights and Responsibilities

c. Utilities

d. Miscellaneous Issues

8. Assignment

a. None

9. Evaluation

a. None